Cost of holding of food stocks

472. SHRl KRISHNA KUMAR BIRLA : Will th; Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether the c«§t of holding of food stocks have gone up during the recent year* ;

(b) the details about the co»t of holding food stocks for the last three years ;

(c) whether the rise in cost of holding is passed on in the issue prices of foodgrains ; and

(d) tne basis of determining the current issue prices and its upward revision ?

THE MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI NATHU RAM MIRDHA) : (a) and (b) The carrying cost of buffer stocks of wheat and nee for three years from 1986-87 to 1988-89 are as under :—

Year	Rate (Rs. per QUO
1986-87	48-43
1987-88	36- 83
1988-89 .	61- 84

(c) and (d) Central issue prices of wheat and rice are deteumined taking into consideration several factors like the increase in support price, handling expenses of FCI, availability of foodgrains, likely impact on the general sconomy and the need to safeguard the interests ofthe common man. Tnese prices, however, do not cover the entire economic cost *ox* foodgrains. With a view to keeping the foodgrains within the reach of common consumers, the difference between the economic cost and issue prices of grains is paid as subsidy as a deliberate welfare policy of the Central Government.

Purchase of laminated bags by Central Purchase Committee of Public Cooperative Fertilizer Companies

473. PROF. SOURENDRA BHATTACHARJEE : Will the Minister of AGRICULTURE be pleased to state :

(a) whether the Central Purchase Committee of some Public Cooperative Fertiliser Companies floated a. tender among limited number of laminators purported to be registered with the 1ST, for supply of laminated oags wortn Rs. 300 crores ;

(b) whether it is a fact that the purchase was made at a higher rate involving allegation of illegal transactions on the margin available to the suppliers ;

(c) whether it is also a fact that the Central Purchase Committee booked , orders for serveral fertiliser plants where there is no requirement of bags for 6-9 months; and

(d) if so, the reasons therefor and wnether Government propose to institute an enquiry into the matter ?

THE DEPUTY PRIME MINISTER AND THE MINISTER OF AGRICULTURE (SHRI DEVI LAL) : (a) The Central Purchase Committee float :d a tender through press advertisement for pre-qualifying suppli-rs of jute and HOPE bags on tne basis of their capacity, financial status past performance End ISI registration.

(b) to (d) There were allegations against the functioning ofthe Central Purchase Committee and therefore it was abolished on 16th January, 1990. The entire matter is being buired into by CBI.